A decorative graphic is present on the page. It features a large, thin, gold-colored arc that starts near the top right and curves down towards the bottom right. A horizontal line and a vertical line intersect at the end of this arc in the bottom right quadrant. A small yellow square is placed at the intersection of these lines. Another small yellow square is located at the bottom right corner of a green rectangular area in the top left corner of the page.

Impact of the Economy on Health Behaviors

November 2008



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**Data Collected by ICR, Inc.
Report Prepared by Teresa A. Keenan, Ph.D.**

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The views expressed herein are for information, debate, and discussion, and do not necessarily represent official policies of AARP.

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Executive Summary

Introduction

In October 2008, AARP Knowledge Management contracted with International Communications Research, Inc. (ICR) to field a short telephone survey among a nationally representative sample of adults ages 45 and older to learn more about the potential impact of the economic downturn on their ability to afford medical care and prescription drugs.

At the conclusion of the fielding period, responses had been received from 820 individuals. The sampling error is +/- three percentage points at the 95% confidence level. This means that in 95 out of 100 samples of this size, the results would fall in a range of no more than three percentage points of what would have been obtained if every person age 45 or older had been surveyed.

In this survey, respondents were asked about the source of their health insurance (if any), their confidence about being able to afford medical care in the coming year, and a variety of health behaviors they might have taken as a result of the recent downturn in the U.S. economy. They were then asked if financial stress had caused them any health problems or if cutting back on medical care had an adverse effect on their health.

Key Findings

Health Insurance Coverage

About half of the respondents said they have health insurance coverage through their (35%) or their spouse's (13%) current employer. One-fifth (20%) reported having health insurance coverage through Medicare. One-tenth (10%) said they had individually-purchased health insurance, while six percent noted having a retiree health benefit from their own or their spouse's former employer. Another six percent of respondents reported that they had no health insurance coverage.

Confidence in Affording Medical Care

About six in ten respondents said they are either *extremely* (30%) or *very confident* (27%) that they will be able to afford medical care next year. One in six said they are either *not very* (9%) or *not at all confident* (7%) that they will be able to afford such care.

Changes in Health Behaviors

When asked about ten things they may have done because of the current economic situation, about one-half (51%) of respondents said they have taken a generic or over-the-counter medication instead of a prescription drug. About one-fifth said they have delayed seeing a doctor or other medical professional (22%), cut back on other expenses to be able to afford medical care (21%), or sought assistance in getting prescription at lower cost (21%).

Between one and six and one in seven respondents said they have cut back on preventive care (16%), had to use retirement savings or other savings to pay for medical care (16%), skipped a dose or took less than prescribed (15%), cut back on medical care (14%), or decided not to fill a prescription (14%). Another one in nine (11%) asked a drug manufacturer or drug store about their prescription assistance program.

Effects of Financial Stress

One-fifth (20%) of respondents said financial stress had caused them health problems, while slightly fewer (17%) said that cutting back on medical care has had a negative effect on their health.

Summary and Conclusions

As the results of this survey suggest about one in five midlife and older adults have had their health negatively affected by the current economic situation and about one in six are not confident about being able to afford medical care next year.

Taking a generic or over-the-counter medication rather than a prescription drug is the top way in which respondents are coping with changes in the economy, noted by half of them. Somewhat fewer respondents report having delayed seeing a doctor or other medical professional, cut back on other expenses to afford medical care, or sought assistance in getting prescription drugs at lower cost.

Detailed Findings

Health Insurance Coverage

About half of the respondents said they have health insurance coverage through their (35%) or their spouse's (13%) current employer. One-fifth (20%) reported having health insurance coverage through Medicare. One-tenth (10%) said they had individually-purchased health insurance, while six percent noted having a retiree health benefit from their own or their spouse's former employer. Another six percent of respondents reported that they had no health insurance coverage.

- Men are more likely than women (41% vs. 30%) to report having health insurance coverage from their current employer.
- Respondents ages 45-54 and 55-64 are more likely than those ages 65 or older to report having health insurance coverage from their current employer (49% and 48% vs. 6%), while those ages 65+ are more likely to have Medicare coverage (49% vs. 7% and 6%).
- Respondents with annual household incomes of \$25,000 or more are more likely than those with incomes below that level to report having health insurance coverage from their current employer (32% for those with incomes between \$25,000 and \$49,999; 43% for those with incomes between \$50,000 and \$74,999; and 59% for those with incomes of \$75,000 or more vs. 10% for those with incomes less than \$25,000).

Confidence in Affording Medical Care

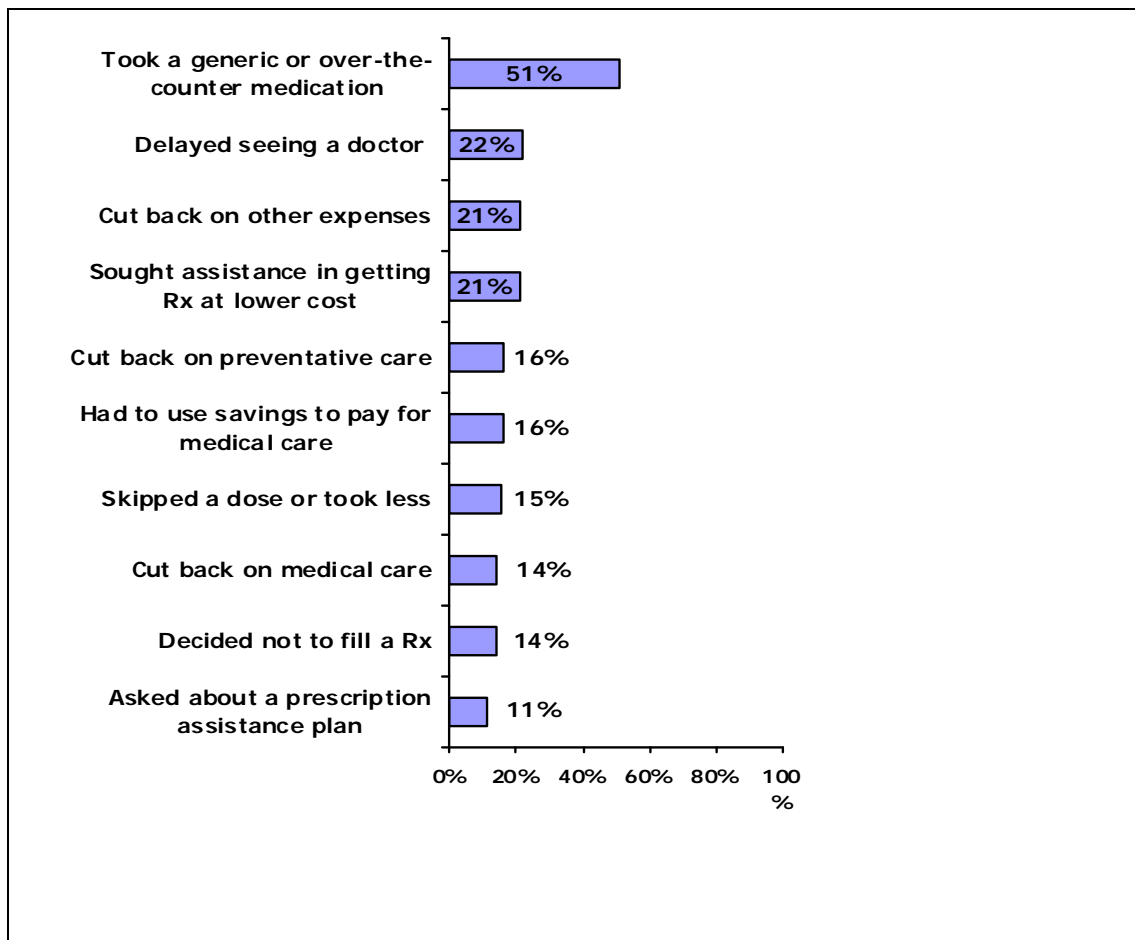
About six in ten respondents said they are either *extremely* (30%) or *very confident* (27%) that they will be able to afford medical care next year. One in six said they are either *not very* (9%) or *not at all confident* (7%) that they will be able to afford such care.

- The only demographic difference in confidence is that those with incomes less than \$50,000 a year are more likely than those with incomes of \$50,000 or more to say they are *not very confident* or *not at all confident* that they will be able to afford medical care next year (38% for those with incomes less than \$25,000 and 18% for those with incomes between \$25,000 and \$49,999 vs. 4% for those with incomes between \$50,000 and \$74,999 and 5% for those with incomes of \$75,000 or more).

Changes in Health Behaviors

When asked about ten things they may have done because of the current economic situation, about one-half (51%) of respondents said they have taken a generic or over-the-counter medication instead of a prescription drug (see Figure 1). About one-fifth said they have delayed seeing a doctor or other medical professional (22%), cut back on other expenses to be able to afford medical care (21%), or sought assistance in getting prescription at lower cost (21%).

Figure 1
Changes in Health Behaviors
(n=820)



Source: Impact of the Economy on Health Behaviors, November 2008

Between one and six and one in seven respondents said they have cut back on preventative care (16%), had to use retirement savings or other savings to pay for medical care (16%), skipped a dose or took less than prescribed (15%), cut back on medical care (14%), or decided not to fill a prescription (14%). Another one in nine (11%) asked a drug manufacturer or drug store about their prescription assistance program.

- When it comes to demographic differences in changes respondents have made as a result of the economic downturn, not surprisingly, those with lower annual household incomes are more likely than those with higher annual household incomes to report having done certain things as a result (see Table 1). For example, those with incomes of less than \$25,000 a year are more likely than those with incomes of \$50,000 or more to say they have done each of the ten activities about which they were asked.
- As for age differences, respondents ages 65 and older are more likely than those younger than 65 to say they have asked a drug manufacturer or drug store about their prescription drug assistance plan. They are also more likely to say they have sought assistance in getting prescription drugs at a lower cost.
- Additionally, those ages 45-54 are more likely than those ages 65 or older to say they have cut back on medical care. They, along with respondents ages 55-64, are also more likely than those ages 65 or older to say they have delayed seeing a doctor or other medical professional or have cut back on preventive care.
- The only significant gender difference is that women are more likely than men to say they have taken a generic or over-the-counter medication rather than taking a prescription drug.

Table 1
Changes in Health Behaviors
By Age, Gender, and Income¹

	Age			Gender		Income			
	45-54	55-64	65+	Male	Female	<\$25K	<\$50K	<\$75K	\$75K+
	A	B	C	D	E	F	G	H	I
	(n=320)	(n=244)	(n=256)	(n=386)	(n=434)	(n=169)	(n=175)	(n=107)	(n=239)
Cut back on medical care	17%^c	15%	9%	----	----	29%^{hi}	18%ⁱ	8%	6%
Decided not to fill a prescription	----	----	----	----	----	20%^h	18%^h	4%	12%
Skipped a dose or took less than prescribed	----	----	----	----	----	25%^h	16%^h	4%	14%
Took a generic or over-the-counter medication instead of Rx drug	----	----	----	45%	56%^d	67%^{hi}	54%	40%	42%
Asked a drug manufacturer or drug store about their prescription assistance plan	8%	10%	15%^a	----	----	21%^{hi}	14%^{hi}	5%	5%
Sought assistance in getting Rx at lower cost	18%	17%	29%^{ab}	----	----	32%^{hi}	22%^h	8%	18%
Delayed seeing a doctor or other medical professional	25%^c	25%^c	15%	----	----	33%^h	23%	12%	19%
Cut back on preventive care	19%^c	21%^c	9%	----	----	30%^{hi}	19%	9%	12%
Cut back on other expenses	----	----	----	----	----	29%^{hi}	27%	13%	15%
Had to use some savings to pay for health care	----	----	----	----	----	20%^h	16%	7%	17%

¹ How to Read the Tables: **Bold face** percents in columns (which represent demographic subgroups) are significantly higher than percents in adjacent columns. Superscripts (^{a/b/c}, ^{d/e}, ^{f/g/h}, ^{i/j}) indicate those columns in which there is a statistically significant difference. Dashes (----) indicate non-significant differences are not reported.

Effects of Financial Stress

One-fifth (20%) of respondents said financial stress had caused them health problems, while slightly fewer (17%) said that cutting back on medical care has had a negative effect on their health.

- Similar to the previous question about changes they may have taken as a result of the economic downturn, when asked whether financial stress had caused any health problems for them, younger and less affluent respondents said that they had. For example, younger respondents—those ages 45-54 and 55-64—are more likely than those ages 65 and older to say that financial stress had caused health problems for them (22% and 25% vs. 13%).
- Additionally, those with incomes of less than \$25,000 a year are more likely than those with incomes above that level to say that financial stress had caused health problems for them (35% vs. 20%, 9%, and 16%, respectively).
- Similarly, when asked if cutting back on medical care had a negative affect on their health, respondents ages 45-54 are more likely than those ages 65 or older to say that it had (21% vs. 11%). And, those with incomes less than \$25,000 a year are more likely than those with incomes above that level to answer affirmatively (37% vs. 16%, 8%, and 12%).
- Notably, there are no gender differences in the reported effects of financial stress or in cutting back on medical care on respondents' health.

Summary and Conclusions

As the results of this survey suggest about one in five midlife and older adults have had their health negatively affected by the current economic situation and about one in six are not confident about being able to afford medical care next year.

Taking a generic or over-the-counter medication rather than a prescription drug is the top way in which respondents are coping with changes in the economy, noted by half of them. Somewhat fewer respondents report having delayed seeing a doctor or other medical professional, cut back on other expenses to afford medical care, or sought assistance in getting prescription drugs at lower cost.

Appendix A
Demographic Characteristics of Respondents

Demographic Characteristics of Respondents

- About four in ten (39%) respondents are ages 45-54, three in ten (30%) are ages 55-64, and three in ten (31%) are ages 65 or older.
- Slightly more than half (53%) are female; slightly less than half (47%) are male.
- More than four in ten (44%) are AARP members.
- Six in ten (59%) respondents are married, one in six (16%) are widowed, one in nine (11%) are divorced, and one in nine (11%) are never married. Two percent report being separated.
- More than four in ten respondents have either a high school education (28%) or less (15%), three in ten (31%) have some college or technical training, and nearly one-fifth (18%) are college graduates. Eight percent have a post-graduate or professional degree.
- Three in ten (31%) respondents are retired and not working, while more than half of the respondents are either employed full-time (43%) or part-time (10%).
- More than eight in ten (84%) respondents are white, while ten percent are black/African American. In a separate question, twelve percent identify themselves as Hispanic.
- Sixteen percent of respondents reported annual household incomes of less than \$20,000; nineteen percent reported incomes between \$20,000 and \$40,000; and one-fifth (21%) said their income was between \$40,000 and \$75,000. Three in ten (29%) reported an annual household income of \$75,000 or more.

Appendix B
Annotated Questionnaire



AARP Bulletin Poll

Impact of the Economy on Health Behaviors

N=820

Q1. What is the source of your health insurance coverage?

Provided by my current employer	35%
Provided by my spouse's current employer	13%
Retiree benefit from my former employer	4%
Retiree benefit from my spouse's former employer	2%
Individually-purchased health insurance	10%
Medicaid	5%
Medicare	20%
Veterans' Administration / Military	2%
I do not have health insurance	6%
Don't Know	3%
Refused	1%

Q2. How confident are you that you will be able to afford medical care next year?

Extremely confident	30%
Very confident	27%
Somewhat confident	22%
Not very confident	9%
Not at all confident	7%

Q3. We have heard many people say that they have had to cut back on a number of things recently because of the current downturn in the economy. I'm going to read you a short list of things you might have done recently, and for each one, please tell me if you have or have not done it.

	% Yes
a. Cut back on medical care	14%
b. Decided not to fill a prescription	14%
c. Skipped a dose or took less than prescribed	15%
d. Took a generic or over-the-counter medication instead of Rx drug	51%
e. Asked a drug manufacturer or drug store about their prescription assistance program	11%
f. Sought assistance in getting prescriptions at lower cost	21%
g. Delayed seeing a doctor or other medical professional	22%
h. Cut back on preventive care (ie., flu shots, annual screenings)	16%
i. Cut back on other expenses to be able to pay for medical care	21%
j. Had to use some retirement savings or other savings to pay for health care	16%

Q4. Has financial stress caused you any health problems?

Yes	20%
No	78%
Don't Know/ Refused	2%

Q5. Would you say that cutting back on medical care has had a negative effect on your health?

Yes	17%
No	49%
Don't Know/ Refused	5%

<Asked of one-eighth of the sample>

Q6. May we re-contact you at a later time?

Yes	
No	

Demographic Characteristics

We're almost finished. I just have a few additional questions that I'd like to ask for classification purposes.

What is your age as of your last birthday? _____ years

45-54	39%
55-64	30%
65+	31%

Are you male or female?

Male	47%
Female	53%

Are you an AARP member?

Yes	44%
No	55%
Don't Know	1%

What is your current marital status?

Married	59%
Widowed	16%
Divorced	11%
Separated	2%
Never married	11%

What is the highest level of education that you completed?

Less than high school	15%
High school graduate or equivalent	28%
Some college or technical training beyond high school	31%
College graduate (4 years)	18%
Post-graduate or professional degree	8%

Which of the following best describes your current employment status?

Employed or self-employed <u>full-time</u>	43%
Employed or self-employed <u>part-time</u>	10%
Retired and not working	31%
Unemployed and looking for work	3%
Other such as homemaker	13%

Are you Hispanic, of Spanish descent, or Latino?

Yes	12%
No	88%

What best describes your race?

White/Caucasian	84%
Black /African American	10%
Asian American	2%
Native American	----
Other: _____	4%

Households are sometimes grouped according to income. Please indicate which group best estimates your annual household income before taxes. *(Check only one.)*

Less than \$10,000	6%
\$10,000 to \$19,999	10%
\$20,000 to \$29,999	11%
\$30,000 to \$39,999	8%
\$40,000 to \$49,999	8%
\$50,000 to \$74,999	13%
\$75,000 or more	29%

Thank you very much for your time. Your responses are important to us!